

Statement of Jelena McWilliams, Chairman
Advance Notice of Proposed Rulemaking:
IDI Plans

Separate from the Dodd-Frank resolution planning process applicable to bank holding companies, the FDIC has also required insured depository institutions (IDIs) with more than \$50 billion in assets to submit resolution plans addressing how the FDIC could resolve the institution under the Federal Deposit Insurance Act. If and when a large IDI fails, the FDIC's priorities are to protect taxpayers, minimize losses to the Deposit Insurance Fund, and ensure that insured depositors have access to their funds as soon as possible. The IDI Rule has played an important role in the FDIC's efforts to develop and maintain these capabilities.

After several years of reviewing the IDI plans that firms submit, we are interested to learn how we can make this process more tailored and targeted, while continuing to advance the FDIC's important resolution readiness efforts.

Publication of this Advance Notice of Proposed Rulemaking (ANPR) gives us an opportunity to revisit the resolution planning requirements for IDIs. Both the FDIC and the banks subject to the rule have learned a lot about resolution planning over the past several years, and my hope is that we can build on this experience to make the process more efficient and more effective.

The ANPR focuses on several issues, including the appropriate scope, content, and frequency of resolution plans for various types of banks, and would allow us to tailor requirements based on each bank's size, complexity, and level of risk. We ask a lot of questions and anticipate robust feedback.

The ANPR offers two alternative concepts for commenters to consider. Broadly, either approach would require large, complex institutions to continue to submit periodic resolution plans, streamlined compared to the existing plans. Institutions that are relatively smaller and less complex but still subject to the rule would no longer need to submit actual plans, but would still be subject to periodic engagement and capabilities testing.

The ANPR also offers new ideas about the type of interaction that should occur between FDIC staff and banks as part of the resolution planning process. I encourage commenters to consider these issues carefully and to provide us with your feedback.

In addition to publishing the ANPR, the Board will be voting on whether to delay the next round of submissions under the IDI rule until this rulemaking process has been completed. We should not require firms to submit additional plans under the existing rule while we are working to improve the process. We plan to move thoughtfully and swiftly through this process, so the delay will not be indefinite.

I support publication of this ANPR with a 60-day comment period. I would like to thank the FDIC staff for their efforts on this important issue, and I look forward to reviewing the comments we receive.